



▶ **HMAA
UPDATE**

October 2009

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▶ **Welcome to the latest edition of the HMAA newsletter!**

Earlier this month the HMAA team, together with our full VECCI Tourism and Events Tourism Unit, travelled up to Kinglake and Marysville for the day to see how the recovery process was progressing in these bushfire-affected areas. We first met with Brad Quilliam, President of the Kinglake Ranges Business Network (KRBN), who showed us the site of the new business centre in Kinglake, housed in units donated by Swinburne University. The facility will house the administration of the KRBN and provide local businesses with meeting rooms. Over the weekend, the 'Reconnect Kinglake Ranges' Community Event was an opportunity for the local community to reconnect with each other and be entertained with live music, kids' rides, local art exhibition and food stalls.

In Marysville, we met with Graeme Haycraft from Murrindindi Regional Tourism Association. Graeme walked us through the town and gave us some insights into how the community is coping and how the recovery process is progressing. He also introduced us to Bruno Torfs from Bruno's Sculpture Garden, a famous local attraction that, along with so much of Marysville, was destroyed in the fires. We were all struck by Bruno's positivity and enjoyed exploring the Sculpture Garden, which he is working hard to restore.

Although the day was confronting it was also inspiring to see that against such adversity there is amazing hope and enthusiasm among locals. While there is much talk of a tourism-led recovery, there are other higher and more immediate priorities for these communities. However, at some point, tourism will have a greater role to play in the region and our team looks forward to being able to participate in this.

Anita Donnelly
Executive Officer

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▶ **Changes to your HMAA Membership**

As you would have seen in the letter sent last week there have been some changes to the

membership structure of HMAA. As a result of changes within VECCI memberships, the HMAA Board has approved the following changes to our HMAA membership structure. HMAA membership will no longer be based on Full Time Employee numbers and VECCI member benefits will be phased out.

Why the change?

Separating HMAA and VECCI memberships will substantially reduce fees and allow the association to concentrate on sectoral benefits for the members. It is expected that this change in membership structure will lead to an increase in the number of members (as the cost to join will be lower), which in turn increases our reach across Victoria and the strength of our sectoral representation. It also makes membership more accessible to smaller and regional operators. Rather than offering benefits that only apply to some members, this change will allow HMAA to focus more on the needs of our members. Our recent Member Perception Survey results told us that our members join HMAA to get advice and information and to support the industry.

How will it work?

Existing members have the option of retaining their current conditions and benefits until the 2011 membership renewal date, after which their membership will transition to the new membership structure. Members will be reminded in writing of the transition, in advance their 2011 renewal. Existing members will also have the option of adopting the new subscription rate and member benefits prior to 2011, at their next renewal date after 26 October 2009.

What is the new membership offer?

The new member subscription rate will be a flat rate of \$295 inc GST, effective 26 October 2009. The new membership offering will retain the current benefits, but exclude the VECCI membership benefits.

HMAA Membership Benefits include:

- Development of policy, advocacy and representation activities that support hotel-motel businesses and assist with growing the sector
- Invitations to meetings and industry events, including social networking functions
- Monthly specialist newsletter which includes industry feedback and information
- Access to fact sheets designed to help hotel-motel businesses stay in business
- Regular email updates on critical issues
- Priority sponsorship opportunities
- HMAA website dedicated to keeping members and the industry informed
- Participation in policy task groups
- HMAA *Key News* quarterly publication
- Annual HMAA Accommodation Forum
- HMAA Awards

Should an HMAA member wish to upscale their membership to include VECCI benefits they can do so and join VECCI as a Silver member. This investment would be \$545 inc GST per annum on top of the HMAA membership, or \$49 per month – only available to SMEs with up to 100 employees. The benefits of being a VECCI silver member can be seen by visiting www.vecci.org.au

Should you have any questions or concerns please contact VECCI Membership on 03 8662 5323.

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Tourism industry to record moderate economic 08/09 growth

Australia's tourism industry is expected to have recorded a moderate economic growth last financial year, contributing more than \$70 billion to the economy, according to a new report. Tourism Research Australia released a report on Tuesday comparing tourism's contribution to the Australian economy in 1997/98 and 2007/08. In 2007/08, tourism poured \$70.4 billion into the national economy and employed an estimated 878,000 people - 8.3 per cent of the workforce. This was a \$2.6 billion, or 3.9 per cent, increase from the year before. The total

takes in direct money spent in the sector, such as hotel rooms, as well as indirect spending, like farming labour employed to fill food orders from hotels.

Since 1998/97, total tourism gross domestic product rose at an annual average rate of 4.5 per cent, while total GDP grew at seven per cent, the report said. "This moderate growth is expected to continue in 2008/09, underpinned mainly by growth in the contribution from international visitors," it said. This was based on the Tourism Forecasting Committee's forecast of 2.5 per cent growth in the economic value of tourism in the 2008/09 financial year.

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Website to help hotels avoid guests behaving badly

Website Ubid4rooms.com, has become the first accommodation site in the country to activate a new service – Guests Behaving Badly – that automatically alerts hotels to troublesome customers at the time of booking. Guests Behaving Badly (GBB) – www.guestsbehavingbadly.com.au – provides hospitality members access to an online database used by hotels to identify guests with a recorded history of anti-social, intimidatory and destructive behaviour. GBB members can also lodge verified complaints against hotel customers on the database. The website's founder Gary Berman, said "hospitality providers were keen to minimise the cost of theft, vandalism and loud noise.

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Bracing for a slide in RevPAR

Hotels in Sydney, Brisbane and Cairns all felt the impact of falling demand after recording double digit falls in revenue per available room in the seven months to July. Research from STR Global showed RevPAR across Australia fell 9per cent in the year to date, with occupancy rates down 4.5per cent to 71.4per cent. It has been a tough year for Cairns, with hotels recording the largest dip in RevPAR, 13.9per cent, of any Australian city. Occupancy fell 6.2per cent to 64.6per cent while the average daily rate fell 8.2per cent to \$121.97. The disappointing performance in Cairns was reflected throughout Queensland. RevPAR on the Gold Coast fell 7.6per cent, though occupancy rates held steady at 64.4per cent. Ken Minnikin, Director of Marketing for Mantra Group, said recently the Gold Coast had "taken a hit" following the swine flu hysteria. "The Middle East market particularly reacted to the swine flu comments....Japan is another, as is Singapore," he said.

Sydney also struggled, with occupancy rates falling from 79.6per cent last year to 75.4per cent in 2009. RevPAR fell 13.6per cent while ADR fell 8.9per cent to \$170.30. Perth remained the most buoyant of the major cities, with RevPAR down 0.7per cent to \$143.33 compared to the same period in 2008. Perth was also the only city to record an increase in ADR, up 2.4per cent to \$182.73. Occupancy rates fell 3.1per cent to 78.4per cent. Increased capacity in Melbourne impacted RevPAR, down 8.4per cent to \$129.88 and occupancy, down 6.4per cent to 73.1per cent.

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Advertising campaign attracts tourists back to Daylesford

Daylesford's main tourism body says a multi-million dollar advertising campaign is helping bring visitors back to the south-west Victorian region. The \$7.3 million campaign was launched about a month ago and promotes Daylesford as Australia's premier spa and well-being centre. The Executive Officer of Daylesford Macedon Ranges Tourism, Graham Middleton, says tourism operators are already noticing an increase in visitors and bookings. He says it is important that the industry bounces back after such a tough year.

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Invoice Overload: ACCC Warns About Questionable Renewals

The Australian Competition and Consumer Commission is reminding business owners to be vigilant after a spike in complaints about unsolicited letters that may appear to be trade mark renewal notices.

In the past month the ACCC has received more than 150 complaints and inquiries about trade mark letters. ACCC deputy chair Michael Schaper said business owners are a regular target for unsolicited mailouts. "Capitalising on a busy office environment many of these letters can be from unscrupulous traders. The letters are often designed to trick the account payer into paying for unnecessary services such as domain name registrations, listings on online

databases and ads in various publications. "The end result is the business owner paying for a new listing on a website or in a directory, often of little value."

The websites tend to have poor search functions and are not actively promoted on the internet. The directories and publications appear to have limited circulation. Letters that look like domain name registration renewals are usually touting for new customers, and rely on limited knowledge of the domain name systems. "It is all too easy for the inexperienced not to notice or understand the subtle difference between a '.com' or '.com.au' domain name," Dr Schaper said. "Once the money is paid the business becomes the owner of a new domain and has not renewed their existing one."

The ACCC has taken court action against a number of traders involved in false billing activity including Australialink Pty Ltd and Business Pages Pty Ltd for conduct associated with their respective online directories and Domain Names Australia Pty Ltd for domain name renewals.

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Minister welcomes new skills investment

The Federal Minister for Tourism, Martin Ferguson AM MP, earlier this month launched a flagship training initiative with Grand Hyatt in Melbourne to bolster skills in the hospitality industry. The Hyatt Pacific School of Hospitality initiative will see Hyatt hotel employees attain nationally-recognised qualifications (Certificate III or IV in Hospitality) while working. There are currently 84 employees at the Grand Hyatt Melbourne enrolled in the Pacific School of Hospitality and 350 in Hyatt hotels across Australia. It is expected that more than 1000 Hyatt employees will take advantage of this opportunity.

For further information, visit [Minister Ferguson's](#) website

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End in sight for Rialto Tower's observation deck

Melbourne will lose one of its tourist attractions on New Year's Eve when the observation deck at the Rialto Towers closes. The deck will close as part of a plan to transform the skyscraper on the corner of King and Collins streets into the centre of a new culinary and retail precinct.

It was reported that chef Shannon Bennett had been in preliminary talks to move his exclusive Vue de Monde restaurant to a new \$4 million home at the top of the building. Rialto Joint Venture, made up of St Martins Victoria and Grollo Australia, has informed observation deck staff about its plans to close the attraction.

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Hotel Management Strategies For Tough Times by Neil Salerno – Hotel Marketing Coach

In spite of these tough times, some hotels are doing better than others and a few hotels are actually doing quite well. This anomaly sparked my curiosity; was this solely a result of local market variations or could it be a result of better management in some hotels?

My conclusion is that it is more than likely a combination of both factors. As hoteliers, we have little control over market conditions, but total control over how we conduct business and how we react to market variations. It's a matter of how well hotel managers deal with fluctuations in the marketplace and how well they lead their teams during tough times.

I have always believed that open-minded and informed managers are those who are constantly seeking opportunities to improve their bottom-line. Nothing happens in a vacuum; sharing ideas and opinions through reading and exchanging thoughts stimulates learning. Curious hotel owners and managers are always thirsty to learn new techniques and to apply them.

There are many good eZines which are free and chock-full of great ideas and opinions. These daily and weekly publications enable owners and managers to sift through the experiences of others and learn from them...never say that you don't have time to read and learn.

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► **Drop That Doom and Gloom Mentality**

"Misery loves company", but some managers go a little too far. My observation has been that successful hotel managers have the ability to maintain a positive aura when dealing with peers and subordinates. Don't get me wrong, the current market, and future near-term forecast, make this very difficult, but a doom and gloom mentality has never solved anything. Peers and subordinates will always mirror the mind-set of their leaders.

Surely, the economic woes of the country have made it difficult to maintain positive energy, but successful leaders find a way to generate a positive work atmosphere. I will, no doubt, date myself when I recall Norman Vincent Peale's "The power of positive thinking". A positive mind anticipates happiness, joy, health and a successful outcome of every situation and action. Be careful not to share negative thoughts and comments with peers and subordinates.

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► **In The Hotel Business, Time is Not Our Friend**

Along with the combining of job responsibilities came the compression of time which can be devoted to each assigned task. Internet and other electronic marketing strategies are a relatively new marketing opportunity for hotels. It's ironic that Internet marketing matured during the era of multi-tasking popularity; this is a double whammy on our allotment of time.

Time is always a finite commodity; we cannot create more. The only thing we can do is to use time in the best way possible. During this age of multi-tasking, performing one task has to detract from the time devoted to doing something else; leading to prioritisation.

Prioritising tasks is an absolute must, today, this can best be done by management leaders, who have an overall view of all the property goals. Left to their own devices, most middle management people will choose those tasks in which they are most familiar; not necessarily those which would provide the greater benefit to the hotel. They will learn by seeing what is most important to management leadership and best for the overall hotel operation.

At the risk of sounding self-serving, limited out-sourcing of specific Internet and electronic marketing responsibilities could be a viable solution for many hotel operations. Hoteliers can establish time and expense limitations as well as set specific goals and desired results. Internet analytics also allows for specific measurement of every task; not possible with most other marketing actions.

Your webmaster should be a part of your electronic marketing team. Include your webmaster when meeting with your team to discuss Internet marketing strategies. You can develop a solid two-way dialogue to optimise business. Go-To-Meeting is an excellent online tool to handle this; it also eliminates transportation expense.

Time is of the essence. Some hoteliers are attempting to wait-out the recession by simply managing expenses until business improves; smart hoteliers are aggressively marketing their hotels to gain market share and be in a superior position when the economy recovers. When times are tough, the smart get going.

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► **Latest in Research**

International Visitors Survey – June 2009 Quarter

Tourism Research Australia have released *International Visitors in Australia: June 2009 Quarterly results of the International Visitor Survey*.

This reports details the quarterly results of international visitors to Australia based on their responses to over 70 questions in the International Visitor Survey. [Click here to download these reports.](#)

Travel & Tourism Competitiveness Report 2009

Australia is the highest-ranked country from the Asia Pacific region, ranked 9th overall, down five places since last year. Australia is ranked fourth for its natural resources, with the most World Heritage natural sites worldwide, many known species in the country, and a pristine

natural environment. Given the importance of the environment for much of its leisure tourism, it is notable that the stringency and enforcement of its environmental regulations are well assessed.

Given the country's distance from other continents and the related importance of domestic air travel to overcome the large distances between major sites, its competitiveness is also buttressed by excellent air transport infrastructure (ranked third) as well as good general tourism infrastructure (ranked 9th).

Australia also benefits from the strong government prioritization of the tourism sector and effective destination-marketing campaigns. The drop in rank since last year can be traced in large part to a perceived weakening of the prioritization of the sector in the country, a poorer assessment of the ground transport infrastructure, and weakening price competitiveness. You can browse the report and select Australia to get more country specific details.

<http://www.weforum.org/en/initiatives/gcp/TravelandTourismReport/index.htm>

Tourism's contribution to the Australian economy 1997-98 to 2007-08

This report is now available on the Tourism Research Australia website and can be downloaded free in PDF format at [Economic Analysis Reports](#). The report looks at the direct and indirect economic contribution of tourism to Australia's economy, in terms of Gross Domestic Product (GDP) and Gross Value Added (GVA). Some key findings were that total tourism GDP, GVA and employment increased but growth was lower than in 2006-07; and that tourism's share of GDP and GVA had declined to the lowest level since 1997-98.

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Upcoming Events

2009 HMAA Awards

Steve Finlayson, Chairman of HMAA invites you to celebrate the Victorian Accommodation Industry's night of nights at the 2009 HMAA Victorian Accommodation Awards for Excellence.

In an evening of glamour and entertainment we will celebrate the success of Victoria's accommodation providers and honour those outstanding individuals within the industry. This year's black and white Derby Day Eve themed gala dinner will be held on Friday 30 October from 6.30pm at The Radisson on Flagstaff Gardens in Melbourne.

EVENT DETAILS

Date: Friday 30 October 2009

Time: 6:30pm - 10:30pm

Venue: The Radisson on Flagstaff Gardens

Address: 380 William Street, Melbourne

Cost: \$120 inc. GST

To book your tickets **phone** 03 8662 5211 or **email:** events@vecci.org.au

Fast Forward - Special Guest Speaker - Tobie Puttock, Executive Head Chef, Fifteen Restaurant

Globally-renowned chef Tobie Puttock is probably best known for his work with the Fifteen Foundation alongside fellow chef, and good friend, Jamie Oliver. The success of Fifteen and Tobie Puttock illustrates that if the ingredients are right, it is possible to turn your life around. Tobie's recipe for success combines his commitment to radical change with determination and integrity. Join us and learn more about Tobie's dynamic business ethics and the impact he is making on young people's lives. [Click here for more information](#) Remember, BOAV Members are eligible to attend at the member rate.

Victorian Tourism Conference – we welcome your feedback & ideas

We are pleased to advise that planning is well underway for the 2010 Victorian Tourism Conference. In the past the Conference has provided a full program for participants based on a particular theme that may be impacting the industry at the time. Tourism Alliance Victoria has some ideas, however we are also seeking your input into the program to ensure that it addresses the current trends and issues that perhaps not only relate to the tourism industry but

other industries as well.

If there are any particular topics you would like to hear about, please forward ideas, suggestions, comments to Tourism Alliance Victoria via email: info@tourismalliance.com.au

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This email was sent to "".

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